CABLE TELEVISION RENEWAL LICENSE

GRANTED TO

TIME WARNER ENTERTAINMENT COMPANY, L.P.

THE BOARD OF SELECTMEN

TOWN OF WINTHROP,
MASSACHUSETTS

JANUARY __, 1997

Winthrop Renewal License --- December 3, 1996

AGREEMENT

This Cable Television Renewal License entered into this ____th day of October 1996, by and between Time Warner Cable Inc., a Division of Time Warner Entertainment Company, L.P., a Delaware limited parthership, and the Board of Selectmen of the Town of Winthrop, Massachusetts, as Issuing Authority for the renewal of the cable television license(s) pursuant to M.G.L. c. 166A.

ARTICLE 1 DEFINITIONS

Section 1.1--- DEFINITIONS:

For the purpose of this Renewal License, the following words, terms, phrases and their derivations shall have the meanings given herein, unless the context clearly requires a different meaning. When not inconsistent with the context, the masculine pronoun includes the feminine pronoun, words used in the present tense include the future tense, words in the plural number include the singular number and words in the singular number include the plural number. The word shall is always mandatory and not merely directory.

- (1) Access: The right or ability of any Winthrop resident and/or any persons affiliated with an a Winthrop institution to use designated facilities, equipment and/or channels of the Cable Television System, subject to the conditions and procedures established for such use.
- (2) Access Channel: A video channel which Licensee shall make available to the Town of Winthrop and/or the Access Corporation, without charge, for the purpose of transmitting programming by residents of Winthrop, Town departments and agencies, Town of Winthrop Public Schools, or other Winthrop educational, institutional and other local public or non-profit organizations.
- (3) Access Corporation: The entity, designated by the Issuing Authority of the Town of Winthrop, for the purpose of operating and managing the use of public, educational and governmental access funding, equipment and channels on the Cable Television System in accordance with the terms herein and 47 U.S.C. \$531.
- (4) Affiliate or Affiliated Person: Any Person who or which directly or indirectly controls and owns an interest in the Licensee and/or its successor(s); any Person which the Licensee directly or indirectly controls and in which the Licensee owns an interest; and any Person directly or indirectly subject to control and owned in whole or in part by a Person who or which directly or indirectly controls and owns an interest in the Licensee and/or its Affiliate; provided, however, that this definition shall not be deemed to apply to any programming or publishing service provided by an Affiliate, carried in the normal course of business.

- (5) Basic Service: The lowest service tier, other than a Pay Cable Service, distributed over the Cable System, which includes, without limitation, all PEG Access Channels and all broadcast Signals, if any, required to be carried on Basic Service pursuant to federal law, or this Renewal License to the extent it is not inconsistent with federal law.
- (6) CMR: The acronym for Code of Massachusetts Regulations.
- (7) Cable Act: Public Law No. 98-549, 98 Stat. 2779 (1984) (the Cable Communications Policy Act of 1984), as amended by Public Law No. 102-385, 106 Stat. 1460 (1992) (the Cable Television Consumer Protection and Competition Act of 1992), as further amended by Public Law No. 104-458, 110 Stat. 56 (1996) (the Telecommunications Act of 1996).
- (8) Cable Service: The one-way capable transmission to Subscribers of Video Programming or Other Programming Services and Subscriber interaction, if any, which is required for the selection of such Video Programming or Other Programming Services which is made available to all Subscribers generally.
- (9) Cable Television System or Cable System: A facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment, that is designed to provide Cable Service which includes Video Programming and which is provided to multiple Subscribers within the Town.
- (10) Commercial Subscriber: A commercial, non-residential Subscriber to Cable Television Service.
- (11) Commission: The Massachusetts Community Antenna Television Commission, pursuant to Chapter 166A of the General Laws of the Commonwealth of Massachusetts, or its successor.
- (12) Converter: Any device changing the frequency of a Signal. A Subscriber converter may expand reception capacity and/or unscramble coded Signals distributed over the Cable System.
- (13) Department of Public Works ("DPW"): The Department of Public Works of the Town of Winthrop.
- (14) Downstream Channel: A channel over which Signals travel from the Cable System Headend to an authorized recipient of Video Programming.
- (15) Drop or Cable Drop: The coaxial cable that connects each home or building to the feeder line of the Cable System.

- (16) Educational Access Channel: A specific channel(s) on the Cable System made available by the Licensee to educational institutions, educators and/or the Access Corporation for the presentation of non-commercial educational access programming and/or information to the public.
- (17) Effective Date of the Renewal License (the "Effective Date"): November 15, 1996.
- (18) Execution Date of Renewal License (the "Execution Date"): November _____, 1996.
- (19) FCC: The Federal Communications Commission, or any successor agency.
- (20) Government Access Channel: A specific channel(s) on the Cable System made available by the Licensee to the Issuing Authority, its designees and/or the Access Corporation for the presentation of non-commercial governmental access programming and/or information to the public.
- (21) Gross Annual Revenues: Consideration of any form or kind derived by the Licensee and/or its Affiliates from the carriage of Signals over the Cable Television System including, without limitation: the distribution of any Cable Service over the System; the provision of any Service Related Activity in connection with the operation of the System; Basic Service monthly fees; all other Service fees; installation, reconnection, downgrade, upgrade and any similar fees; all Commercial Subscriber revenues; fees paid for channels designated for commercial use; Converter and remote control rentals, leases or sales; studio and other facility and/or equipment rentals; home shopping revenues; and advertising revenues. In the event that an Affiliate is responsible for advertising, advertising revenues shall be deemed to be the pro-rata portion of advertising revenues, paid to the Cable System by an Affiliate for said Affiliate's use of the Cable System for the carriage of advertising. Gross annual revenues shall also include the Gross Revenue of any other Person which is derived directly or indirectly from or in connection with the operation of the Cable System to the extent that said revenue is derived, through a means which has the effect of avoiding payment of License Fees to the Town that would otherwise be paid herein. It is the intention of the parties hereto that Gross Annual Revenues shall only include such consideration of Affiliates and/or Persons relating to Signal carriage over the Cable System and not the gross revenues of any such Affiliate(s) and/or Person(s) itself, where unrelated to such Signal carriage. Gross Annual revenues shall not include (I) revenues paid by the Licesnsee to any Affiliate for Programming carried on the Cable System where such revenues have already been recovered by the Licensee through charges to its Subscribers and a license fee on all such revenues has been, or will be, paid to the Town and/or Acces Corporation in accordance with this Renewal License; (ii) actual bad debt that is written off, but subsequently collected, shall be included in Gross Annual Revenues in the period so collected; and (iii) revenues of any Affiliate from the sale of merchandise of non-Cable Services, such as the subscription price to periodicals, as a result of, or due to, advertising by such Affiliate on the Cable System, and where said Affiliate revenues are not received by the Licensee

- (22) Headend: The electronic control center of the Cable System containing equipment that receives, amplifies, filters and converts incoming Signals for distribution over the Cable System.
- (23) Hub or Hub Site: A sub-Headend, generally located within a cable television community, used either for the purpose of i) Signal processing or switching, or ii) placement of a fiber node, microwave link or transportation super trunk.
- (24) Institutional Network ("I-Net"): The separate cable, consisting of Upstream and Downstream Channels, said channels for the use of the Issuing Authority, its designee, Town departments and the Licensee.
- (25) Issuing Authority: The Board of Selectmen of the Town of Winthrop, Massachusetts.
- (26) License Fee or Franchise Fee: The payments to be made by Licensee to the Town of Winthrop, which shall have the meaning as set forth in Section 622(g) of the Cable Act and M.G.L. Chapter 166A, Section 9.
- (27) Licensee: Time Warner Cable, A Division of Time Warner Entertainment, L.P., or any successor or transferee in accordance with the terms and conditions in this Renewal License.
- (28) Multichannel Video Programming Provider: A Person who or which makes available to residents in Winthrop multiple channels of Video Programming.
- (29) NCTA: The acronym for the National Cable Television Association.
- (30) NTSC: The acronym for the National Television Systems Committee.
- (31) Node or Fiber Node: A remote point(s) in the Cable System connecting fiber optic cable to the Trunk and Distribution System.
- (32) Origination Capability or Origination Point: An activated cable and connection to an Upstream I-Net Channel, allowing a User(s) to transmit a Signal(s) upstream to a designated location.
- (33) Outlet: An interior receptacle, generally mounted in a wall, that connects a Subscriber's or User's television set to the Cable System.
- (34) Pay Cable or Premium Services: Programming delivered for a fee or charge to Subscribers on a per channel basis, or as a package of Services, in addition to the fee or charge for the Basic Service, or for such other service tier as may be allowed or required by applicable law.

- (35) Pay-Per-View: Programming delivered for a fee or charge to Subscribers on a per-program or per-event basis.
- (36) PEG: The acronym for "public, educational and governmental," used in conjunction with Access Channels, support and facilities.
- (37) PEG Access Channels: Any channel(s) made available for the presentation of PEG Access Programming.
- (38) Person: Any corporation, partnership, limited partnership, association, trust, organization, other business entity, individual or group of individuals acting in concert.
- (39) Prime Rate: The prime rate of interest at the Bank of Boston, or its successor.
- (40) Public Access Channel: A specific channel(s) on the Cable System made available by Licensee to the Access Corporation for the use of Winthrop individuals and/or organizations wishing to present non-commercial Programming and/or information to the public.
- (41) Public Way: The surface of, as well as the spaces above and below, any and all public streets, avenues, highways, boulevards, concourses, driveways, bridges, tunnels, parks, parkways, waterways, bulkheads, piers, easements which have been dedicated for compatible uses, and public grounds and/or waters and all other publicly owned real property within or belonging to the Town, now or hereafter existing. Reference herein to "Public Way" shall not be construed to be a representation or guarantee by the Town that its property rights are sufficient to permit its use for any purpose, or that the Licensee shall gain or be permitted to exercise any rights to use property in the Town greater than those already possessed by the Town.
- (42) Renewal License: The non-exclusive Cable Television Renewal License granted to the Licensee by this instrument.
- (43) Scrambling/Encoding: The electronic distortion of a Signal(s) in order to render it unintelligible or un-receivable without the use of a Converter or other decoding device.
- (44) Service: Any Basic Service, any Pay Cable Service, or any other Service tier, whether or not originated by the Licensee, which is offered to any Subscriber in conjunction with, or which is distributed over, the System.
- (45) Service Related Activity: Any activity or function for which the Licensee receives revenue from any other Person and which is directly associated with the operation of the Cable System or the production or distribution of any Cable Service over the Cable System by any Person other than the Licensee, including,

without limitation, operation of studio or any other facilities or equipment, billing, audience promotion, and/or installation or lease of equipment.

- (46) Signal: Any transmission of electromagnetic or optical energy which carries Video Programming from one location to another.
- (47) State: The Commonwealth of Massachusetts.
- (48) Subscriber: Any Person, firm, corporation or other entity who or which elects to subscribe to, for any purpose, a Service provided by the Licensee by means of, or in connection with, the Cable Television System.
- (49) Subscriber Network: The 750 MHz single trunk, bi-directional-capable network to be owned and operated by the Licensee, over which Signals can be transmitted to Subscribers.
- (50) System Activation: The initial operation of all or a portion of the upgraded 750 MHz Cable System such that the Signals required and authorized to be transmitted pursuant to this Renewal License are available at potential Subscribers' taps.
- (51) System Completion: That time when the Licensee has provided written documentation to the Issuing Authority that its 450 MHz cable system has been fully upgraded to a minimum 750 MHz Trunk and Distribution system and service has been made available to one hundred percent (100%) of the residential households in the Town.
- (52) Town: The Town of Winthrop, Massachusetts.
- (53) Town Counsel: The Town Counsel of the Town of Winthrop, Massachusetts.
- (54) Trunk and Distribution System: That portion of the Cable System for the delivery of Signals, but not including Drop cables to Subscriber's' residences.
- (55) Upstream Channel: A channel over which Signals travel from an authorized location to the Cable System Headend.
- (56) User: A Person utilizing the Cable Television System, including all related facilities for purposes of production and/or transmission of electronic or other Signals as opposed to utilization solely as a Subscriber.
- (57) VCR: The acronym for video cassette recorder.

(58) Video Programming or Programming: Programming provided by, or generally considered comparable to Programming provided by, a television broadcast station.

ARTICLE 2 GRANT OF RENEWAL LICENSE

Section 2.1---GRANT OF RENEWAL LICENSE

Pursuant to the authority of Chapter 166A of the General Laws of the Commonwealth of Massachusetts, and subject to the terms and conditions set forth herein, the Board of Selectmen of the Town of Winthrop, Massachusetts, as the ISSUING AUTHORITY of the Town, hereby grants a non-exclusive, revocable cable television renewal license to the LICENSEE, authorizing and permitting the Licensee to upgrade, construct, install, operate and maintain a Cable Television System within the corporate limits of the Town of Winthrop. This Renewal License is subject to the terms and conditions contained in Chapter 166A of the laws of Massachusetts, as amended and attached hereto as Exhibit 11; the regulations of the FCC; the Cable Act; and all Town, State and federal statutes and by-laws of general application.

Subject to the terms and conditions herein, the Issuing Authority hereby grants to the Licensee the right to upgrade, construct, install, operate and maintain a Cable Television System in, under, over, along, across or upon Public Ways under the jurisdiction of the Town of Winthrop within the municipal boundaries and subsequent additions thereto, for the purpose of reception, transmission, collection, amplification, origination, distribution, and/or redistribution of Signals in accordance with the laws of the United States of America, the Commonwealth of Massachusetts and the Town of Winthrop. In exercising rights pursuant to this Renewal License, the Licensee shall not endanger or interfere with the lives of Persons, interfere with any installations of the Town, any public utility serving the Town or any other Persons permitted to use the Public Ways.

Grant of this Renewal License does not establish priority for use over other present or future permit holders or the Town's own use of Public Ways.

Section 2.2---TERM OF RENEWAL LICENSE

The term of this Renewal License shall commence on December 3, 1996, and shall expire on December 3, 2006, unless sooner terminated as provided herein or surrendered.

Section 2.3---NON-EXCLUSIVITY OF LICENSE

- (a) This Renewal License shall not affect the right of the Issuing Authority to grant to any other Person a license or right to occupy or use the streets, or portions thereof, for the construction, upgrade, installation, operation or maintenance of a cable television system within the Town of Winthrop; or the right of the Issuing Authority to permit the use of the Public Ways of the Town for any purpose whatsoever. The Licensee hereby acknowledges the Issuing Authority's right to make such grants and permit such uses.
- (b) To the extent allowed by applicable law(s), the grant of any additional cable television license{s} shall be on substantially equivalent terms and conditions as those contained in this Renewal

License. This paragraph shall be subject to specific performance.

- (c) The issuance of additional license $\{s\}$ shall be subject to applicable federal law $\{s\}$, and M.G.L. Chapter 166A and applicable regulations promulgated thereunder.
- (d) In the event that the Licensee reports to the Issuing Authority that it is at a competitive disadvantage as a result of a competing Multichannel Video Programming Provider operating in the Town that is not required to be licensed by the Town, the Issuing Authority and the Licensee agree that Section 625 of the Cable Act will be applicable. Among other factors, the Issuing Authority will consider the nature and extent of any such competitive disadvantage in assessing a Section 625 request from the Licensee. The Issuing Authority and the Licensee agree that the specific kinds of potential competing Multichannel Video Programming Provider(s) or the terms and conditions of any such potential competition that may occur are unforeseeable of as the Execution Date of this Renewal License.

Section 2.4---POLICE AND REGULATORY POWERS

By executing this Renewal License, the Licensee acknowledges that its rights are subject to the lawfully exercised powers of the Town to adopt and enforce general by-laws of general applicability, and not specific either to cable television or this Renewal Licensee, necessary to the safety and welfare of the public. The Licensee shall comply with all applicable DPW regulations and any by-laws enacted by the Town. Any conflict between the terms of this Renewal License and any such lawful exercise of the Town's police and regulatory powers shall be resolved in favor of the latter.

Section 2.5---REMOVAL OR ABANDONMENT

Pursuant to M.G.L. Chapter 166A, Section 5(f), Licensee shall remove all of its supporting structures, poles, transmission and distribution systems, and all other appurtenances from the Public Ways and shall restore all areas to their original condition.

Section 2.6---TRANSFER OF THE RENEWAL LICENSE

- (a) Pursuant to M.G.L. Chapter 166A, Section 7, neither this Renewal License, nor control thereof, shall be transferred, assigned or disposed of in any manner, voluntarily or involuntarily, directly or indirectly, or by transfer of control of any Person, company and/or other entity holding such Renewal License to any other Person, company and/or other entity, without the prior written consent of the Issuing Authority, which consent shall not be arbitrarily or unreasonably withheld. Any transferee shall be subject to all of the terms and conditions contained in this Renewal License.
- (b) Pursuant to 207 CMR 4.04, as may be amended, and applicable federal law(s), in reviewing an application of control or assignment of this Renewal License, the Issuing Authority shall consider only transferee's (i) financial capability, (ii) management experience, (iii) technical expertise, and (iv) legal ability to operate the Cable System under this Renewal License.
- (c) The Licensee shall submit to the Issuing Authority an original and five (5) copies, unless otherwise directed, of the forms prescribed by the Commission and/or the FCC requesting such transfer or assignment consent.
 - (d) Unless otherwise permitted by applicable law, the consent of the Issuing Authority shall be

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given only after a public hearing to consider the written application for transfer.

Section 2.7 --- EFFECT OF UNAUTHORIZED TRANSFER ACTION

- (a) Any transfer of the Cable System without complying with Section 2.6 above shall be deemded a material breach of this Renewal License, and the Issuing Authority may either:
- 9I) assess liquidated damagers, pursuant to Section 11.2(a) (I) infra; or
- (ii) revoke this Renewal License as provided in M.G.L. c. 166A §11.

Section 2.7 --- PROCEEDING UPON EXPIRATION OR REVOCATION OF LICENSE

(e) In the event that this Renewal License is revoked, and all appeals have been exhausted, or that it expires, and that the Issuing Authority determines not to renew this Renewal License and all appeals have been exhausted, the Issuing Authority and the Licensee shall implement the provisions of Section 627 of the Cable Act, by transferring the Cable System to the Town or a subsequent licensee in accordance with 47 U.S.C. §547.

Section 2.7---EFFECT OF UNAUTHORIZED TRANSFER ACTION

- (a) Any transfer of the Cable System without complying with Section 2.6 above shall be deemed a material breach of this Renewal License, and the Issuing Authority may either:
- (i) assess liquidated damages, which assessment shall be two hundred seventy-five dollars (\$275.00) per day until the taking of an action described in Section 2.6(a) supra is approved, or if not approved, until the prior ownership, control or other status quo ante is restored to a condition satisfactory to the Town; or
- (ii) revoke this Renewal License as provided in M.G.L. c. 166A, §11.
- (b) Notwithstanding paragraph (a) above, the Issuing Authority may revoke this Renewal License in addition to assessing liquidated damages as provided above if, after assessment of such damages, the Licensee willfully continues noncompliance with Section 2.6 above.

ARTICLE 3 SYSTEM DESIGN

Section 3.1---SUBSCRIBER NETWORK

- (a) Pursuant to Section 4.1 infra, no later than May 15, 1998, the Licensee shall make available to all residents of the Town a minimum seven hundred fifty Megahertz (750 MHz) Subscriber Network, fully capable of carrying at least seventy-eight (78) NTSC video channels in the downstream direction and four (4) NTSC video channels in the upstream direction. Said 750 MHz System shall be designed for 550 MHz of analog Signal transmissions, with 200 MHz reserved for future digital or analog two-way transmissions, which may be subject to change at the discretion of the Licensee. Until that time, the Licensee shall continue to operate its four hundred fifty Megahertz (450 MHz) Cable System, currently capable of providing fifty-eight (58) downstream video channels.
- (b) In the event that the Licensee chooses to upgrade the Cable System to bandwidth greater than 750 MHz, the Licensee may do so, but any such greater bandwidth upgrade shall under no circumstances be deemed to be a requirement of this Renewal License.
- (c) The Town shall give the Licensee full cooperation in securing any permits, licenses, subheadend or microwave link sites, if necessary for the construction and/or upgrade of the Cable System.
- (d) No later than thirty (30) days prior to System Activation, the Licensee shall provide the Issuing Authority and all of its Winthrop Subscribers with the planned channel line-up on the upgraded Cable System. Said channel line-up shall be specific and include the total number of unduplicated Downstream Channels that will be activated and programmed, including the PEG Access Channels.
- (e) The Licensee shall construct, install, active, operate and maintain a fiber-optic transportation trunk cable connecting the Licensee's regional Headend facility to a number of Nodes in the Town of Winthrop. Construction of said fiber cable shall be completed no later than System Completion.
- (ef) The Licensee shall transmit all of its Signals to Winthrop Subscribers in stereo, provided such Signals are furnished to the Licensee in stereo.
- $(f_{\overline{g}})$ The terms of this Section 3.1 shall be satisfactorily met only upon System Completion, as required herein.

Section 3.2---INSTITUTIONAL NETWORK

- (a) The Licensee shall continue to operate, maintain and repair, without charge(s) to the Town for such network, its existing, separate three hundred megahertz (300 MHz) Institutional Network ("I-Net") to be utilized by the Town. No later than ninety (90) days from the Effective Date of this Renewal License, the Licensee shall make available to the Town an additional three (3) Upstream Channels and three (3) Downstream Channels on the I-Net, for a total of six (6) channels in the downstream direction and six (6) channels in the upstream direction on the I-Net for the exclusive use of the Town and its designees. Said channels shall continue to be capable of distributing video, audio and data to all designated non-school and school buildings ("I-Net Buildings") currently connected to the I-Net, and identified in Exhibit 1 attached hereto.
 - (b) The I-Net shall be capable of transmitting between the Town buildings and other institutions

within the Town among other things, electronic mail, data, interactive teaching, energy management monitoring, security monitoring of municipal buildings, fire detection and municipal training. Except as required in Section 3.2(d) below, the Licensee has no obligation to provide the Town with equipment necessary for these uses of the I-Net.

- (c) Except with the written permission of the Licensee, the I-Net may not be used to transmit or receive any communication (in whatever form, whether video, audio, data, voice or otherwise) that the Licensee is or becomes in the business of transmitting and/or that which is destined to or originating from any switched network, including, but not limited to, the facilities of any local or long distance telephone company; provided, however, that this Section 3.2(c) shall not apply to non-commercial, educational programming services.
- (d) No later than ninety (90) days from the Effective Date of the Renewal License, the Licensee shall provide the Town, or its designee, with an additional three (3) modulators for the three (3) additional I-Net Upstream Channels and an additional three (3) demodulators for the three (3) additional I-Net Downstream Channels. The Licensee shall maintain said modulators and demodulators for the term of this Renewal License. There shall be no charge(s) to the Town and/or its designee for the purchase and/or maintenance of said additional modulators and demodulators.

- (e) The Licensee shall continue to maintain and repair the existing I-Net modulators and demodulators procured by the Licensee and located at the Access Corporation. In the event that said existing modulators and demodulators cannot be repaired, the Licensee shall promptly replace any such modulators and/or demodulators. There shall be no charge(s) to the Town and/or its designee for the repair, replacement and/or maintenance of said modulators and demodulators.
- (f) The I-Net shall be interconnected with the Subscriber Network at the Headend or such other location at the discretion of the Licensee. All remote I-Net PEG Access transmissions shall be sent on an Upstream Channel to the Headend, or other location, where such transmissions shall be reprocessed, switched and designated on one (1), or more PEG Access Downstream Channel(s) on the Subscriber Network. The Licensee shall be responsible for the automatic switching of all Upstream Channels to the appropriate Subscriber Network PEG Access Downstream Channels, and automatic switching of all Subscriber Network Upstream Channels to the appropriate I-Net Downstream Channels. Said automatic switching shall be performed by the Licensee at no cost to the Town.
- (g) In addition to existing I-Net Drops and/or Outlets to each of the I-Net Buildings, as of the Effective Date of this Renewal License, the Licensee shall install, at cost plus a reasonable rate of return to the Town, additional I-Net Drops and/or Outlets to those institutions designated in writing by the Issuing Authority, provided such additional I-Net Drop and/or Outlet locations are along the existing I-Net trunk as of the Effective Date of this Renewal License. The Licensee shall discuss the location of each additional Drop and/or Outlet with a representative of the designated institution, prior to the installation of such Drop and/or Outlet.
- (h) The Licensee shall have the sole responsibility for maintaining the I-Net for the term of this Renewal License, except for equipment not directly under its control or ownership. The Licensee shall be responsible for all necessary inspections and performance tests of the I-Net.
- (i) In the event that there are technical problems with the I-Net, excluding any devices, hardware or software not under the control or ownership of the Licensee and installed by the Town or other User, the Licensee shall resolve the technical problem within a reasonable amount of time. Should a technical problem continue, the Issuing Authority and the Licensee shall meet to discuss a resolution of such problem.
- (j) Any and all I-Net related costs shall be strictly allocated between the Town and the Licensee according to each entity's use of the I-Net, including but not limited to, installation, operational and maintenance costs. If requested to do so by the Issuing Authority, the Licensee shall itemize and verify all such allocable I-Net costs, in sufficient detail to enable the Issuing Authority to independently verify that such costs have been allocated as required. Unless agreed to otherwise, the Licensee shall provide said costs, in writing, within thirty (30) days of a request to do so by the Issuing Authority.
- (k) The Town shall hold the Licensee harmless at all times during the term of this Renewal License and after its expiration from any and all claims, actions and/or proceedings arising out of the actions of the Town and/or the Licensee in transmitting, conveying or otherwise carrying, or failing to transmit, convey or otherwise carry, any and all data transmissions originated and/or generated by the Town on the I-Net channels made available to, and used by, the Town; provided, however, that this paragraph (k) shall in no way restrict or limit any rights the Issuing Authority may have to seek specific

performance of this Section 3.2. The Town shall, without charge to the Licensee, defend any such claim, action or proceeding.

Section 3.3---PARENTAL CONTROL CAPABILITY

- (a) The Licensee shall provide, upon request, Subscribers for sale or lease a remote control or other device with which Subscribers can prohibit viewing of a particular CableSservice during periods of time selected by the Subscriber.
- (b) The Licensee shall, upon request, provide and install filters, or other devices, to block-out the audio portion of any adult-oriented Programming on the Cable System.

Section 3.4---EMERGENCY ALERT OVERRIDE CAPACITY

<u>Unless otherwise provided by applicable law, the The Subscriber Network, described in Section 3.1 supra, shall have an activated emergency audio alert override capacity. Downstream Channels shall be capable of being overridden, controlled remotely by the Issuing Authority, by the use of any touchtone telephone to override Downstream Channels with an emergency message. Said audio override shall be provided by the Licensee, without charge to the Issuing Authority or the Town. The Issuing Authority shall take reasonable steps to ensure that access to the emergency alert override system is limited to officials responsible for emergency messages.</u>

ARTICLE 4 CONSTRUCTION, INSTALLATION AND MAINTENANCE STANDARDS

Section 4.1---SERVICE AVAILABLE TO ALL RESIDENTS

- (a) Subject to subsection (b) and (c) below, The Licensee shall make its service available to every residential (non-commercial) dwelling unit in the service area in the Town, regardless of the type of dwelling, or its geographical location unless legally prevented from doing so.
- (b) Installation charges shall be non-discriminatory, except that an additional charge for time and materials may be made for customized installation within a Subscriber's residence or except when the Licensee is engaged in marketing promotions.
- (c) Any dwelling unit within two hundred fifty feet (250') of the existing Cable System plant shall be entitled to a standard aerial installation rate. Any aerial installation over 250 feet from the existing cable plant requiring Trunk or Distribution type construction shall be considered non-standard and provided at a rate based upon actual costs and a reasonable return on investment. In accordance with applicable law, the Licensee may reasonably charge subscribers for non-standard or customized installations.
- (d) Underground installation shall be considered standard and therefore subject to standard underground installation rates within 250 feet of the existing cable plant, provided no Trunk or Distribution type construction is required and sub-surface is dirt or similar soft surface. Underground installations within 250 feet of the existing cable plant requiring Trunk or Distribution type construction or involving a hard surface or that require boring through rock or under sidewalks, street, flower bedding, etc., are considered non-standard installations and shall be provided at a rate based upon actual costs and a reasonable return on investment. Installations more than 250 feet from existing cable plant requiring Trunk trunk or Distribution distribution type construction or involving a hard (concrete, asphalt, etc.) surface shall be provided at a rate based upon actual costs and a reasonable return on investment.

Section 4.2---LOCATION OF CABLE TELEVISION SYSTEM

The Licensee shall construct, upgrade, install, operate and maintain the Cable Television System within the Town of Winthrop. Poles, towers and other obstructions shall be erected so as not to interfere with vehicular or pedestrian traffic over Public Ways. The erection and location of all poles, towers and other obstructions shall be in accordance with all applicable State and local laws and regulations.

Section 4.3---CHANGE-OVER PROCEDURES

The Licensee shall change-over all of its Winthrop Subscribers from its 450 MHz <u>CableSystem</u> cable system to the upgraded 750 MHz Cable System in accordance with the following procedures:

(i) Before any Subscriber is changed-over to the upgraded System, the Licensee shall inform all Subscribers of the method of System change-over, the Licensee's service(s), VCR compatibility,

increased channel capacity and Programming and all rates and charges.

- (ii) Periodically, the Licensee shall publish the areas that are subject to change-over in at least one (1) local newspaper of general distribution in the Town.
- (iii) There shall be no installation charges to then-existing Subscribers for change-over to the 750 MHz System; provided, however, additional installation charges may be applicable for ancillary or other special or new Service(s) Services, at the discretion of the Licensee.

Section 4.4---NOTICE CONCERNING CONSTRUCTION ACTIVITIES

On a monthly basis during its upgrade of the Cable System, the Licensee shall supply the Issuing Authority and the Chief of Police with a map or a list of the areas of the Town which are anticipated to be under construction the following month

Section 4.5---UNDERGROUND FACILITIES

Upon the Effective Date of this Renewal License in areas of the Town having telephone lines and electric utility lines underground, all of the Licensee's lines, cables and wires shall be underground. At such time as these facilities are placed underground by the telephone and electric utility companies as required to be placed underground by the Town, the Licensee shall likewise place its facilities underground, pursuant to M.G.L. 166, \$22, without charge to the Town. Underground cable lines shall be placed beneath the pavement subgrade in compliance with applicable law, Town by-laws, rules, regulations and/or standards. It is the policy of the Town that existing poles for electric and communication purposes be utilized wherever possible and that underground installation is preferable to the placement of additional poles.

Section 4.6---TREE TRIMMING

In the installation of amplifiers, poles, other appliances or equipment and in stringing of cables and/or wires as authorized herein, the Licensee shall avoid all unnecessary damage and/or injury to any and all shade trees in and along the streets, alleys, Public Ways, and private property in the Town. The Licensee shall be subject to M.G.L. Chapter 87 and shall comply with all rules established by the Issuing Authority or his designee(s) during the term of this Renewal License. All tree and/or root trimming and/or pruning provided for herein shall be done pursuant to appropriate regulations of the Town.

Section 4.7---RESTORATION TO PRIOR CONDITION

Whenever the Licensee takes up or disturbs any pavement, sidewalk or other improvement of any Public Way or public place, the same shall be replaced and the surface disturbed restored in as good condition as before entry as soon as practicable. If the Licensee fails to make such restoration within a reasonable time, the Issuing Authority may fix a reasonable time for such restoration and repairs and shall notify the Licensee in writing of the restoration and repairs required and the time fixed for performance thereof. Upon failure of the Licensee to comply within the specified time period, the Issuing Authority may cause proper restoration and repairs to be made and the reasonable expense of such work shall be paid by the Licensee upon demand by the Issuing Authority.

Section 4.8---TEMPORARY RELOCATION

The Licensee shall temporarily raise or lower its wires or other equipment upon the reasonable request of any Person, including without limitation, a Person holding a building moving permit issued by the Town. Unless otherwise required by applicable law, the expense of such raising or lowering shall be paid by the Licensee. The Licensee shall be given reasonable notice necessary to maintain continuity of service.

Section 4.9---DISCONNECTION AND RELOCATION

The Licensee shall, without charge to the Town, protect, support, temporarily disconnect, relocate in the same street or other Public Way, or remove from any street or any other Public Ways, any of its property as required by the Issuing Authority or its designee(s) by reason of traffic conditions, public safety, street construction, change or establishment of street grade, or the construction of any public improvement or structure by any Town department acting in a governmental capacity.

Section 4.10---SAFETY STANDARDS

The Licensee shall construct, upgrade, install, operate, maintain and remove the Cable Television System in conformance with Occupational Safety and Health Administration (OSHA) regulations, the Massachusetts Electrical Code, the National Electrical Code, the NCTA Safety Manual, the National Electrical Safety Code, the National Television Standards Code, the Bell Telephone Systems Code of Pole Line Construction (when applicable), the rules and regulations of the Commission and FCC, all State and local laws, and all land use restrictions as the same exist or may be amended hereafter. Enforcement of these codes shall be by the appropriate regulatory authority.

Section 4.11---PEDESTALS

In any cases in which pedestals housing passive devices are to be utilized, in Town Public Ways or within the Town public lay-out, such equipment must be installed in accordance with applicable DPW regulations; provided, however, that the Licensee may place active devices (amplifiers, line extenders, power supplies, etc.) in a low-profile electronic control box at Town approved locations to be determined when the Licensee applies for a permit. All such equipment shall be shown on the construction maps submitted to the Town in accordance with Section 4.15 infra.

Section 4.12---PRIVATE PROPERTY

The Licensee shall be subject to all laws, by-laws and/or regulations regarding private property in the course of constructing, upgrading, installing, operating and maintaining the Cable Television System in the Town. The Licensee shall promptly repair or replace all private property, real and personal, damaged or destroyed as a result of the construction, upgrade, installation, operation or maintenance of the Cable Television System at its sole cost and expense.

Section 4.13---RIGHT TO INSPECTION OF CONSTRUCTION

- (a) The Issuing Authority or its designee(s) shall have the right to inspect all construction, installation and/or upgrade work performed subject to the provisions of Articles 3 and 4 of this Renewal License and to make such tests as deemed necessary to ensure compliance with the terms and conditions of this Renewal License and all other applicable law. Any such inspection shall not interfere with the Licensee's operations, except in emergency situations.
- (b) Any tests conducted by the Town shall be at the sole cost and expense of the Town and shall have the prior written approval of the Licensee. Unless otherwise mutually agreed upon, the Town shall give at least thirty (30) days prior notification to the Licensee of its intention to conduct any testing. The Licensee shall be afforded the opportunity to be present during all such testing.

Section 4.14---CONSTRUCTION MAPS

Upon written request, the Licensee shall file with the Issuing Authority or its designee "as-built" maps of all existing and newly constructed Cable System plant.

Section 4.15---SERVICE INTERRUPTION

Except during the construction or upgrade of the Cable System or where there exists an emergency situation necessitating a more expeditious procedure, the Licensee may interrupt Service for the purpose of repairing, upgrading or testing the Cable Television System only during periods of minimum use and, if practical, only after a minimum of twenty-four (24) hours notice to all affected Subscribers, given over one (1) of the Cable System's PEG Access Channels. This section shall not apply to necessary interruptions resulting from Subscriber change-over to the newly upgraded Cable System.

Section 4.16---COMMERCIAL ESTABLISHMENTS

The Licensee shall be required to make Cable Service(s) available to any commercial establishments in the Town upon a non-discriminatory basis provided that said establishment(s) agrees to pay for installation and monthly subscription costs as established by the Licensee. Certain Programming services may not be available to commercial establishments, pursuant to applicable law or the Licensee's agreements with its program suppliers or Licensee's policies.

Section 4.17---"DIG SAFE"

The Licensee shall comply with all applicable "dig-safe" provisions, pursuant to Massachusetts General Laws Chapter 82, Section 40.

ARTICLE 5 SERVICES AND PROGRAMMING

Section 5.1---PROGRAM LINE-UP

- (a) Except as required by law, all Programming decisions are at the sole discretion of the Licensee and may be subject to change from time to time.
- (b) To the extent required by applicable law, the Licensee shall provide Basic Cable Service, which shall include at least all area broadcast television Signals in the Winthrop, Massachusetts area which it is required to carry and the Downstream Channels, for PEG Access use.
- (c) Pursuant to Section 624 of the Cable Act and subject to Section 5.1(a), the Licensee shall maintain the mix, quality and broad categories of Programming set forth in Exhibit 2, attached hereto and made a part hereof. Pursuant to federal law, all Programming decisions, including the Programming listed in Exhibit 2, attached hereto, are at the sole discretion of the Licensee, and such Programming may be subject to change from time to time.
- (d) Pursuant to 207 CMR 10.02, the Licensee shall provide the Issuing Authority and all Subscribers with notice of its intent to substantially change the Winthrop Programming line-up at least thirty (30) days before any such change is to take place.

Section 5.2---CABLE COMPATIBILITY

- (a) Pursuant to applicable law, the Licensee shall not Scramble or otherwise Encode, in any manner or form, for the entire term of this Renewal License, its Basic Service tier.
- (b) Pursuant to applicable law, the Licensee reserves its rights to Scramble or otherwise Encode any cable channel(s) to protect the Licensee from unauthorized reception of its Signals.
- (c) In accordance with 207 CMR 10.03, the Licensee shall give notice in writing of its policies and practices regarding equipment to potential Subscribers before a subscription agreement is reached and annually to all existing Subscribers.

Section 5.3---CONTINUITY OF SERVICE

The Licensee shall ensure that all Subscribers receive continuous, uninterrupted Service, except for necessary Service interruptions or as a result of Cable System or equipment failures. When necessary Service interruptions can be anticipated, the Licensee shall notify Subscribers of such interruption(s) in advance.-

Section 5.4---DROPS AND BASIC SERVICE TO PUBLIC BUILDINGS

(a) The Licensee shall continue to provide, install and maintain a Subscriber Cable Drop and Outlet(s) and the monthly Basic Service, without charge to the Town for such Drops, Outlets and Basic Services, to all police and fire stations, public libraries, public buildings and other public charities, qualified as such pursuant to Massachusetts law, included in Exhibit 3, attached hereto and made a part hereof, as designated by the Issuing Authority. The Licensee shall coordinate the location of each Drop and/or Outlet with each of the aforementioned institutions newly receiving Service. The Licensee shall

- supply one (1) Converter for each Outlet, without charge to the Town or institution, if required for the reception of Basic Service.
- (b) The Issuing Authority may request in writing an additional five (5) Outlets to public buildings or other public charities, along the existing cable system, not identified in Exhibit 3, without charge to the Town. The Licensee shall install such Outlet(s) within ninety (90) days of any such request(s) from the Issuing Authority for aerial installations and one hundred and eighty (180) days of any such written request(s) from the Issuing Authority for underground installations.
- (c) The Licensee shall discuss the location of each Drop and/or Outlet with the proper officials in each of the buildings and/or institutions entitled to such a Drop and/or Outlet, prior to any such installation. The proper official and his or her telephone number shall be included with the Issuing Authority's written request.
- (d) The Licensee's obligations hereunder shall be limited to standard, non-customized installations along the route of the existing Cable System.

Section 5.5---DROPS AND MONTHLY SERVICE TO PUBLIC SCHOOLS

- (a) The Licensee shall continue to provide, without charge to the School Department, one (1) Subscriber Cable Drop with one (1) Outlet and the monthly Subscriber Cable Service, including those non-Premium, non-Pay-Per-View satellite Services which support <u>Cable in the Classroom</u> Programming, carried on the Winthrop Cable System by the Licensee, to all public schools listed in Exhibit 4, attached hereto and made a part hereof.
- (b) No later than June 1, 1997, the Licensee shall provide <u>a total of</u> two (2) Subscriber Network Drops and <u>two (2)</u> Outlets and the monthly Subscriber Cable Service, including those non-Premium, non-Pay-Per-View satellite Services which support <u>Cable in the Classroom</u> Programming, carried on the Winthrop Cable System by the Licensee to each floor of all Town of Winthrop Public Schools in the Town, listed in Exhibit 5, attached hereto.
- (c) The exact locations of said Drops and Outlets shall be designated by the Winthrop School Department (the "School Department"). The School Department shall provide the Licensee with the name and telephone number of the proper official in each school building and the Licensee shall discuss the location of each Drop and/or Outlet with the proper officials in each of the school buildings entitled to such a Drop or Outlet, prior to any such installation.
- (d) The Licensee shall provide one (1) Converter with each Outlet, if required for the reception of the monthly Service, without charge to the Town. The Licensee shall maintain such Outlets and Converters for normal wear and tear; provided, however, that the School Department shall be responsible for repairs and/or replacement necessitated by any acts of vandalism or theft or damaged caused by users.
- (e) The Licensee shall also provide, without charge to the School Department, technical advice in the event that the School Department decides to wire, at its own expense, additional classrooms for the monthly Cable Service, described in Section 5.7(a) & (b) above. The School Department shall ensure that any such wiring i) complies with the Licensee's technical standards and ii) does not result in Signal leakage beyond acceptable FCC limits. In the event that the School Department's wiring i) does not

comply with the Licensee's technical standards or ii) results in unacceptable Signal leakage, the School Department shall terminate use of any such wiring until such time as the wiring deficiency is corrected.

ARTICLE 6 PUBLIC, EDUCATIONAL AND GOVERNMENTAL ACCESS FACILITIES AND SUPPORT

Section 6.1--- PUBLIC, EDUCATIONAL AND GOVERNMENTAL ACCESS

The Access Corporation shall continue to be responsible for the provision of public, educational and governmental ("PEG") Access facilities, equipment and Programming to the residents of the Town, pursuant to the provisions of this Article 6 and as follows:

Section 6.2---PEG ACCESS CHANNELS

- (a) Upon the Effective Date, the Licensee shall continue to make available to the Access Corporation three (3) Subscriber Network Downstream Channels on the Cable System for PEG Access purposes.
- (b) Said PEG Access Channels shall be used to transmit PEG Access Programming to Subscribers, at no cost to the Town and/or Users, and shall be subject to the control and management of the Access Corporation.
- (c) The Access Corporation shall be enabled to utilize Upstream Channels on the I-Net, described in Section 3.2 supra, in order to transmit PEG Access Programming to Subscribers, as further described in Section 6.9 infra.
- (d) The Licensee shall not move or otherwise relocate the channel locations of the PEG Access Channels, once established, without advance, written notice to the Issuing Authority and the Access Corporation.

Section 6.3---ANNUAL SUPPORT FOR PEG ACCESS

- (a) The Licensee shall provide annual funding to the Access Corporation for PEG Access purposes in an amount equal to five percent (5%) of the Licensee's Gross Annual Revenues, less applicable license fee payments to the Town and State. Said annual PEG Access payments shall be used for, among other things, salary, operating and other related expenses connected with Winthrop PEG Access Programming and operations. Such PEG Access payments shall be considered as part of the Licensee's franchise fee commitments and shall be included in the franchise fee for purposes of any applicable federal limitation on franchise fees.
- (b) Said annual five percent (5%) PEG Access payment shall be made to the Access Corporation on a bi-annual annual basis, on the first day of June and December in each year during the term of this Renewal License, subject to paragraph (c) below.
- (c) The first payment to the Access Corporation shall be made on June 1, 1997, and shall constitute 5% of the Licensee's Gross Annual Revenues for the period from November 15, 1996 through May 15, 1997. The second payment to the Access Corporation shall be made on December 1, 1997 and shall constitute 5% of the Licensee's Gross Annual Revenues for the period from May 15, 1997 through November 15, 1997. Thereafter, the Licensee shall continue to make said bi-annual PEG Access payments to the Access Corporation on June 1st and December 1st of each year of this Renewal License.

The Licensee shall make the final bi-annual PEG Access payment to the Access Corporation on December 1, 2006 for the six month period from May 15, 2006 through November 15, 2006.

- (d) The Licensee shall file with each such bi-annual payment a statement certified by the Licensee's Vice-President of Finance of its Greater Boston Division, or such other officer or agent, documenting, in reasonable detail, the total of all Gross Annual Revenues derived by the Licensee during the preceding six (6) month period.
- (e) Consistent with Section 622(h) of the Cable Act, any Person, including a Leased Access User, who or which distributes any Cable Service over the Winthrop Cable System for which charges are assessed to Subscribers but not received by the Licensee, shall pay the Access Corporation an amount equal to five percent (5%) of such Person's Gross Annual Revenues, as a PEG Access payment, pursuant to Section 6.3(a) herein. If the Licensee collects revenues for said Person from Winthrop Subscribers for said Person, then the Licensee shall collect said five percent (5%) PEG Access payment on the Gross Annual Revenues of said Person and shall pay said amounts to the Access Corporation along with the Licensee's five percent (5%) PEG Access payments pursuant to Section 6.3(a) herein. If the Licensee does not collect the revenues for a Person that distributes any Service over the Winthrop Cable System, then the Licensee shall notify any such Person of this five percent (5%) PEG Access payment requirement and shall notify the Issuing Authority and Access Corporation of such use of the Winthrop Cable System by such Person(s).
- (f) In the event that the payments required herein are not tendered on or before the dates fixed herein, interest due on such payments shall accrue from the date due(s) at the rate of two percent (2%) above the Prime Rate as published as of the due date(s).
- (f) (g) The bi-annual PEG Access payments required herein are subject to the provision that all PEG Access Programming produced by the Access Corporation and/or Winthrop PEG Access producers with said funding shall be cablecast exclusively on one (1), or more, of the PEG Access Channels, designated in Section 6.2 herein, on the Licensee's Cable System in the Town of Winthrop; provided, however, that such PEG Access Programming produced the Access Corporation and/or Winthrop PEG Access producers may be made available to other providers of Video Programming in the Town, if any, upon payment to the Access Corporation of equivalent annual consideration to that found in Sections 6.3(a) through (e) herein.

Section 6.4---PEG ACCESS EQUIPMENT/FACILITIES FUNDING

- (a) The Licensee shall provide an initial payment to the Access Corporation the amount of two hundred twenty-five thousand dollars (\$225,000.00) to be used to purchase and/or lease PEG Access equipment and facilities. Said payment shall be made to the Access Corporation no later than thirty (30) days after the Execution Date of this Renewal License.
- (b) The Licensee shall provide a second payment to the Access Corporation in the amount of twenty-five thousand dollars (\$25,000.00) to be used to purchase and/or lease PEG Access equipment and facilities. Said payment shall be made to the Access Corporation no later than November 15, 1998.
- (c) The Licensee shall provide a third payment to the Access Corporation in the amount of twenty-five thousand dollars (\$25,000.00) to be used to purchase and/or lease PEG Access equipment

and facilities. Said payment shall be made to the Access Corporation no later than November 15, 1999.

- (d) The Licensee shall provide a fourth payment to the Access Corporation in the amount of twenty-five thousand dollars (\$25,000.00) to be used to purchase and/or lease PEG Access equipment and facilities. Said payment shall be made to the Access Corporation no later than November 15, 2000.
- (e) In no case shall said \$300,000.00 equipment payments be counted against the annual PEG Access bi-annual funding, pursuant to Section 6.3 above, any License Fee payment(s), required by Section 7.1 infra, and/or any other fees or payments required by applicable law.
- (f) In the event that payments required to be made herein are not tendered on or before the dates fixed herein, interest due on such required payments shall accrue from the date due and be paid to the Access Corporation at the rate of two percent (2%) above the Prime Rate as published as of the due date.
- (f) (g) The payments required herein for PEG Access Equipment/Facilities are subject to the provision that all PEG Access Programming produced by the Access Corporation and/or Winthrop PEG Access producers with said payments shall be cablecast exclusively on one (1), or more, of the PEG Access channels, designated in Section 6.2 supra, on the Licensee's Cable System in the Town of Winthrop; provided, however, that such PEG Access Programming produced by the Access Corporation and/or Winthrop PEG Access producers may be made available to other providers of Video Programming in the Town, if any, upon payment to the Access Corporation of equivalent equipment/facilities payments to that found in Section 6.4(a)-(f) herein.

Section 6.5---EQUIPMENT OWNERSHIP

The Access Corporation shall own all PEG Access equipment purchased with funding pursuant to Section 6.3 and 6.4 herein. The Licensee shall have no obligation to maintain or insure any such PEG Access equipment.

Section 6.6---RECOMPUTATION

Tender or acceptance of any payment shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the Town and/or the Access Corporation may have for additional sums including interest payable under this Article 6. The Issuing Authority shall be entitled to request in writing additional non-proprietary information from the Licensee pursuant to Section 13.13 infra in order to establish the accuracy of the payments hereunder. The interest on such additional payment shall be charged from the original due date at the rate of two percent (2%) above the Prime Rate as published as of the due date during the period that such additional amount is owed. If, after such inspection, an additional payment is owed, such payment shall be paid within thirty (30) days after any recomputation.

Section 6.7---PEG ACCESS PAYMENTS

All payments required hereunder in Sections 6.3 and 6.4 shall be made by the Licensee to the Access corporation. <u>In the event that the payments required pursuant to Sections 6.3 and 6.4 herein are not tendered on or before the dates fixed herein, interest due on such required payments shall accrue</u>

from the date due and be paid to the Town and/or the Access Corporation at the rate of two percent (2%) above the Prime Rate as published as of the due date.

Section 6.8---PEG ACCESS CHANNELS MAINTENANCE

The Licensee shall monitor the PEG Access Channels for technical quality and shall ensure that they are maintained at standards commensurate with those which apply to the Cable System's commercial channels.

Section 6.9---ACCESS CABLECASTING

- (a) In order that PEG Access Programming can be cablecast over the three (3) Subscriber Network Downstream Channels, all PEG Access Programming shall be modulated by Access Corporation and/or Town-owned equipment (except for modulation equipment provided by the Licensee pursuant to Section 3.2 (d) & (e) supra), then transmitted from any location with Origination Capability to the Headend. At the Headend or Hub Site, said PEG Access Programming shall be retransmitted in the downstream direction on one of the three (3) Subscriber Network Downstream PEG Access Channels.
- (b) The Licensee shall provide and maintain all necessary switching and/or processing equipment, at the Headend or Hub Site, in order to switch Upstream Signals from the Access Corporation Studio to the designated Subscriber Network Downstream PEG Access Channel.

Section 6.10---CENSORSHIP

Neither the Town nor the Licensee shall engage in any program censorship or any other control of the content of the PEG Access Programming on the Cable System, except as otherwise required or permitted by applicable law.

Section 6.11---LICENSEE'S PEG ACCESS OBLIGATIONS

Except for the specific obligations of the Licensee regarding PEG Access in this Article 6 herein, the Licensee shall not have any other responsibilities for PEG Access.

Section 6.12 --- ACCESS CORPORATION ANNUAL REPORT AND FINANCIAL STATEMENTS

Upon the written request of the Licensee, the Access Corporation shall provide a copy of its Annual Report and Financial Statement to the Licensee.

ARTICLE 7 LICENSE FEES

Section 7.1---LICENSE FEE ENTITLEMENT

- (a) Pursuant to Massachusetts General Laws Chapter 166A, Section 9, the Licensee shall pay the Town, throughout the term of this Renewal License, a License Fee equal to fifty cents (\$.50) per subscriber per year, or such higher amounts as may in the future be allowed pursuant to State and/or federal law. The number of Subscribers, for purposes of this Section 7.1, shall be calculated on the last day of each year of this Renewal License. The License Fees shall be paid annually to the Town throughout the term of this Renewal License, not later than March 15th of each year, unless provided for otherwise under applicable law.
- (b) In the event that the Town can collect a License Fee in the future expressed as a percentage, the Licensee shall i) commence paying such a percentage License Fee to the Town in accordance with applicable law and based on Gross Annual Revenues as defined in this Renewal License and ii) file with the Issuing Authority, with each such percentage License Fee payment, a statement certified by the Licensee's chief financial officer or designee documenting, in reasonable detail pursuant to Section 13.3 (b) infra, the total of all Gross Annual Revenues derived during the previous year. Unless specified otherwise by applicable law, the Licensee shall make such Gross Annual Revenue percentage payments annually within sixty (60) days of the anniversary of the Effective Date of this Renewal License.
- (c) The Licensee shall not in any event be liable for a total financial commitment pursuant to this Renewal License and applicable law in excess of five percent (5%) of its Gross Annual Revenues; provided, however, that said five percent (5%) cap shall include all annual funding for PEG Access (Section 6.3) and shall include any license fee payable to the State and federal government, but shall not include the following: i) the PEG Access equipment/facilities funding herein (Section 6.4); ii) any liquidated damages herein (Section 11.2); and/or iii) interest due to the Town and/or its designee the Access Corporation because of late payments due under this Renewal License.

Section 7.2 --- OTHER PAYMENT OBLIGATIONS AND EXCLUSIONS

- (a) The License Fee payments shall be in addition to and shall not constitute an offset or credit against any and all taxes or other fees or charges of general applicability which the Licensee or any Affiliated Person shall be required to pay to the Town, or to any State or federal agency or authority, as required herein or by law. The payment of said taxes, fees or charges shall not constitute a credit or offset against the License Fee payments all of which shall be separate and distinct obligations of the Licensee and each Affiliated Person. The Licensee herein agrees that no such taxes, fees or charges shall be used as offsets or credits against the License Fee payments.
- (b) In accordance with Section 622(h) of the Cable Act and applicable law, it is the understanding of the parties hereto that nothing in the Cable Act or this Renewal License shall be construed to limit any authority of the Issuing Authority, as may be provided by applicable law, to impose a tax, fee or other assessment of any kind on any Person (other than the Licensee) with respect to Cable Service or other communications Service provided by such Person over the Cable System for which charges are assessed

to Subscribers but not received by the Licensee. For any twelve (12) month period, the fees paid by such Person with respect to any such Cable Service or any other communications Service shall not exceed five percent (5%) of such Person's gross revenues derived in such period from the provision of such service over the Cable System.

(c) All Services, equipment, channel capacity, facilities pursuant to this Renewal License fall within one or more exclusions to the term "franchise fee" as defined in Section 622(g)(2)(A) through (D) of the Cable Act.

Section 7.3 --- LATE PAYMENT

In the event that the License Fees herein required are not tendered on or before the dates fixed in Section 7.1 above or applicable law, interest due on such fee shall accrue from the date due at the rate of two percent (2%) above the annual Prime Rate as published as of the due date. Any payments to the Town pursuant to this Section 7.4 shall not be deemed to be part of the License Fees to be paid to the Town pursuant to Section 7.1 hereof and shall be within the exclusion to the term "franchise fee" for requirements incidental to enforcing the Renewal License pursuant to Section 622(g)(2)(D) of the Cable Act.

Section 7.4 --- **RECOMPUTATION**

- (a) Tender or acceptance of any payment shall not be construed as an accord that the amount paid is correct, nor shall such acceptance of payment be construed as a release of any claim that the Town may have for additional sums including interest payable under this Section 7.5, except that the Licensee shall not be liable for any interest on any amount tendered to the Town. All amounts paid shall be subject to audit and recomputation by the Town, which shall be based on the Licensee's fiscal year and shall occur in no event later than one (1) year after the License Fees are tendered with respect to such fiscal year.
- (b) If the Issuing Authority has reason to believe that any such payment(s) are incorrect, the Licensee shall have ten (10) days to provide the Town with additional information documenting and verifying the accuracy of any such payment(s). In the event that the Issuing Authority does not believe that such documentation supports the accuracy of such payment(s), the Issuing Authority may conduct an audit of such payment(s). If, after such audit and recomputation, an additional fee is owed to the Town, such fee shall be paid within thirty (30) days after such audit and recomputation. The interest on such additional fee shall be charged from the due date at the Prime Rate during the period that such additional amount is owed.

Section 7.5 --- AFFILIATES USE OF SYSTEM

The Licensee shall not permit the use or operation of the Cable System by Affiliates on terms which result in a diversion of revenues from operation of the Cable System to the detriment of the Town under this Renewal License. If requested in writing by the Issuing Authority, the Licensee shall demonstrate that use or operation of the Cable System by an Affiliate is fair and competitive compared to such use by other third-parties. Should the Issuing Authority subsequently determine otherwise, the Licensee shall

enter into good faith negotiations to resolve any dispute(s) regarding gross revenue discrepancies on account of such a relationship.

Section 7.6 --- **METHOD OF PAYMENT**

All License Fee payments by the Licensee to the Town pursuant to this Article 7 shall be made payable to the Town and deposited with the Town Treasurer.

ARTICLE 8 RATES AND CHARGES

Section 8.1---RATE REGULATION

The Town reserves the right to regulate the Licensee's rates and charges to the extent allowable under State and federal laws.

Section 8.2---NOTIFICATION OF RATES AND CHARGES

- (a) In accordance with applicable laws and regulations, the Licensee shall file with the Issuing Authority schedules which shall describe all services offered by the Licensee, all rates and charges of any kind, and all terms or conditions relating thereto.
- (b) At the time of initial solicitation or installation of Service, the Licensee shall also provide each Subscriber with a detailed explanation of downgrade and upgrade policies and the manner in which Subscribers may terminate cable service. Subscribers shall have at least thirty (30) days prior to the effective date of any rate increase to either downgrade service or terminate service altogether without any charge. Change of service policies shall be in compliance with 207 CMR 10.00 et seq., attached hereto as Exhibit 7.

Section 8.3 --- CREDIT FOR SERVICE INTERRUPTION

- (a) Pursuant to M.G.L. Chapter 166A, Section 5(l) and 207 CMR 10.09(1), the Licensee shall grant a pro rata credit or rebate to any Subscriber whose Cable Service is interruptions.
- (b) Pursuant to the requirements of 207 CMR 10.09(2), if an entire tier or Premium Service of a Subscriber's Cable Service is interrupted for twenty-four (24) or more consecutive hours, the Licensee shall provide a pro-rata credit or rebate for each tier or Premium Service interruption as provided in 207 CMR 10.09(1).

Section 8.4 --- PEG ACCESS AND I-NET COSTS

- (a) Consistent with federal and State law(s) governing cable television rate regulation, the Licensee may externalize, line-item or otherwise pass-through any costs associated with its I-Net and/or PEG Access Programming obligations under this Renewal License to Subscribers, including, but not limited to, computation, collection, and/or interest paid on and allocation of any such costs.
- (b) The Licensee shall provide the Town with appropriate FCC forms in accordance with applicable FCC regulations, justifying any such externalized, line-itemized and/or passed-through I-Net and/or PEG Access Programming costs.
- (c) Based upon the licensee's FCC rate filing, the Issuing Authority may file comments with the Commission regarding any such externalized, line-itemized and/or passed-through I-Net and/or PEG Access Programming costs.

ARTICLE 9 INSURANCE AND BONDS

Section 9.1 --- INSURANCE

At all times during the term of the Renewal License, including the time for removal of facilities provided for herein, the Licensee shall obtain, pay all premiums for, and file with the Issuing Authority, on an annual basis, copies of the certificates of insurance for the following policies:

- (1) A general comprehensive liability policy naming the Town, its officers, boards, commissions, agents and employees as co-insureds on all claims on account of injury to or death of a person or persons occasioned by the construction, installation, maintenance or operation of the Cable Television System or alleged to have been so occasioned, with a minimum liability of One Million Dollars (\$1,000,000.00) for injury or death to any one person in any one occurrence and Three Million Dollars (\$3,000,000.00) for injury or death to two (2) or more persons in any one occurrence.
- (2) A property damage insurance policy naming the Town, its officers, boards, commissions, agents and employees as additional name insureds and save them harmless from any and all claims of property damage, real or personal, occasioned or alleged to have been so occasioned by the construction, installation, maintenance or operation of the Cable Television System, with a minimum liability of One Million Dollars (\$1,000,000.00) for damage to the property of any one person in any one occurrence and Three Million Dollars (\$3,000,000.00) for damage to the property of two (2) or more persons in any one occurrence.
 - (3) The following conditions shall apply to the insurance policies required herein:
 - (a) Such insurance shall commence no later than the Effective Date of this Renewal License.
 - (b) Such insurance shall be primary with respect to any insurance maintained by the Town and shall not call on the Town's insurance for contributions.
 - (c) Such insurance shall be obtained from brokers or carriers authorized to transact insurance business in the State.
 - (d) Evidence of insurance shall be submitted to the Town prior to commencement of any System construction or upgrade or operations under this Renewal License.
 - (e) The Licensee's failure to obtain to procure or maintain the required insurance shall constitute a material breach of this Renewal License under which the Town may immediately suspend operations under this Renewal License.

Section 9.2---PERFORMANCE BOND

- (a) The Licensee shall maintain at no cost to the Town and expense throughout the term of the Renewal License a faithful performance bond running to the Town, with good and sufficient surety licensed to do business in the State in the sum of one hundred thousand dollars (\$100,000.00). Said bond shall be conditioned upon the faithful performance and discharge of all of the obligations imposed by this Renewal License.
- (b) The performance bond shall be effective throughout the term of this Renewal License, including the time for removal of all of the facilities provided for herein, and shall be conditioned that in the event that the Licensee shall fail to comply with any one or more provisions of this Renewal License, or to comply with any

order, permit or direction of any department, agency, commission, board, division or office of the Town having jurisdiction over its acts, or to pay any claims, liens or taxes due the Town which arise by reason of the construction, upgrade, maintenance, operation and/or removal of the Cable Television System, the Town shall recover from the surety of such bond all damages suffered by the Town as a result thereof, pursuant to the provisions of Sections 11.1 and 11.2 infra.

- (c) When the Cable System has been completed pursuant to the terms of Article 3 herein, said performance bond may be reduced to the sum of fifty thousand dollars (\$50,000.00); provided, however, that the Licensee shall notify the Issuing Authority in writing, in advance of such reduction, that it has completed the Cable System upgrade as required herein and requests approval for a reduction of the amount of said bond. The Licensee shall not reduce the amount of said bond until the Issuing Authority grants, in writing, its approval for such reduction, which approval shall not be unreasonably denied or delayed.
- (d) Said bond shall be a continuing obligation of this Renewal License, and thereafter until the Licensee has satisfied all of its obligations to the Town that may have arisen from the grant of the Renewal License or from the exercise of any privilege herein granted. In the event that the Town recovers from said surety, the Licensee shall take immediate steps to reinstate the performance bond to the appropriate amount required herein. Neither this section, any bond accepted pursuant thereto, or any damages recovered thereunder shall limit the liability of the Licensee under the Renewal License.

Section 9.3---**REPORTING**

Upon written request, the Licensee shall submit to the Issuing Authority, or his designee, on an annual basis, copies of all current certificates regarding a) all insurance policies as required herein, b) the performance bond as required herein and c) the letter of credit as required herein.

Section 9.4---INDEMNIFICATION

- (a) The Licensee shall, without charge to the Town, indemnify and hold harmless the Town, its officials, boards, commissions, agents and/or employees against all claims for damage due to the actions of the Licensee, its employees, officers or agents arising out of the construction, upgrade, installation, maintenance, operation and/or removal of the Cable Television System under this Renewal License, including without limitation, damage to persons or property, both real and personal, caused by the construction, upgrade, installation, operation, maintenance and/or removal of any structure, equipment, wire or cable installed. Indemnified expenses shall include, without limitation, all out-of-pocket expenses, such as attorneys' fees and the reasonable value of services rendered by the Town Counsel's office over and above services reasonably necessary to carry out this section.
 - (b) In order for the Town to assert its rights to be indemnified, defended, or held harmless, the Town must:
 - 1. Promptly notify Licensee of any claim or legal proceeding which gives rise to such right;
- 2. The Town shall afford the Licensee the opportunity to participate in and fully control any compromise, settlement or other resolution or disposition of such claim or proceeding, unless, however, the Town, in its sole discretion, determines that its interests cannot be represented in good faith by the Licensee; and

- 3. The Town shall fully cooperate with the reasonable requests of the Licensee in its participation in, and control, compromise, settlement or resolution or other disposition of such claim or proceeding subject to subparagraph (2) above.
 - (c) To the extent the Licensee makes payment pursuant to this section, it may require from the Town assignment of all right or recovery against any party.
 - (d) The Town shall, at its sole cost and expense, to the extent lawful for local government, indemnify and hold harmless Licensee against any claim arising out of the Town's use of the Cable System. Indemnified expenses shall include all out-of-pocket expenses such as attorney's fees and shall also include the reasonable value of any services rendered by the Town.

ARTICLE 10 ADMINISTRATION AND REGULATION

Section 10.1---REGULATORY AUTHORITY

- (a) The Issuing Authority and/or its designee shall be responsible for the day to day regulation of the Cable Television System, subject to applicable law. The Issuing Authority and/or its designee shall monitor and enforce the Licensee's compliance with the terms and conditions of this Renewal License. The Issuing Authority shall notify the Licensee in writing of any instance of non-compliance pursuant to Section 11.1 infra
- (b) Upon <u>reasonable</u> request, the Licensee shall attend any hearing(s) held by the Issuing Authority, or its designee(s) to review Cable System-related matters in the Town.

Section 10.2 --- NONDISCRIMINATION

The Licensee shall not discriminate against any Person in its solicitation, service or access activities, if applicable, on the basis of race, color, creed, religion, ancestry, national origin, geographical location within the Town, sex, affectional preference, disability, age, marital status, or status with regard to public assistance. The Licensee shall be subject to all other requirements of federal and State laws or regulations, relating to nondiscrimination through the term of the Renewal License.

Section 10.3 --- EMERGENCY REMOVAL OF PLANT

If, at any time, in case of fire or disaster in the Town, it shall become necessary in the reasonable judgment of the Issuing Authority or any designee(s), to cut or move any of the wires, cables, amplifiers, appliances or appurtenances of the Cable Television System, the Town shall have the right to do so at no charge to the Town.

Section 10.4 --- REMOVAL AND RELOCATION

The Issuing Authority shall have the power at any time to order and require the Licensee to remove or relocate any pole, wire, cable or other structure owned by the Licensee that is dangerous to life or property. In the event that the Licensee, after written notice, fails or refuses to act within a reasonable time, the Issuing Authority shall have the power to remove or relocate the same at the sole cost and expense of the Licensee. In such event, the Licensee shall reimburse the Issuing Authority the cost and expense of such removal within thirty (30) days of submission of a bill thereof.

Section 10.5 --- JURISDICTION

Other than administrative actions within the possible jurisdiction of the Commission or the FCC, jurisdiction and venue over any dispute, action or suit shall be in any Federal or State court of appropriate venue and subject matter jurisdiction located in the Commonwealth of Massachusetts and the parties by this instrument subject themselves to the personal jurisdiction of said court for the entry of any such judgment and for the resolution of any dispute, action, or suit.

ARTICLE 11 DETERMINATION OF BREACH LIQUIDATED DAMAGES-LICENSE REVOCATION

Section 11.1--- **DETERMINATION OF BREACH**

In the event that the Issuing Authority has reason to believe that the Licensee has defaulted in the performance of any or several provisions of this Renewal License, except as excused by Force Majeure, the Issuing Authority shall notify the Licensee in writing, by certified mail, of the provision or provisions which the Issuing Authority believes may have been in default and the details relating thereto. The Licensee shall have thirty (30) days from the receipt of such notice to:

- (a) respond to the Issuing Authority in writing, contesting the Issuing Authority's assertion of default and providing such information or documentation as may be necessary to support the Licensee's position; or
- (b) cure any such default (and provide written evidence of the same), or, in the event that by nature of the default, such default cannot be cured within such thirty (30) day period, to take reasonable steps to cure said default and diligently continue such efforts until said default is cured. The Licensee shall report to the Issuing Authority, in writing, by certified mail, at fourteen (14) day intervals as to the Licensee's efforts, indicating the steps taken by the Licensee to cure said default and reporting the Licensee's progress until such default is cured.
- (c) In the event that the Licensee fails to respond to such notice of default and to cure the default or to take reasonable steps to cure the default within the required thirty (30) day period, the Issuing Authority or its designee shall promptly schedule a public hearing no sooner than fourteen (14) days after written notice, by certified mail, to the Licensee. The Licensee shall be provided reasonable opportunity to offer evidence and be heard at such public hearing. Within thirty (30) days after said public hearing, the Issuing Authority shall determine whether or not the Licensee is in default of any provision of this Renewal Licensee. In the event that the Issuing Authority, after such hearings, determines that the Licensee is in such default, the Issuing Authority may determine to pursue any of the following remedies:
 - i) assess liquidated damages in accordance with the schedule set forth in Section 11.2 below;
- ii) seek specific performance of any provision in this Renewal License which reasonably lends itself to such remedy as an alternative to damages;
 - iii) commence an action at law for monetary damages;
- iv) foreclose on all or any appropriate part of the security provided pursuant to Section 9.2 and/or Section 9.3 herein:
 - v) declare the Renewal License to be revoked subject to Section 11.3 below and applicable law;
 - vi) invoke any other lawful remedy available to the Town.

Section 11.2---LIQUIDATED DAMAGES

(a) For the violation of any of the following provisions of this Renewal License, liquidated damages shall be paid by the Licensee to the Issuing Authority, subject to Section 11.1 above. Any such liquidated

damages shall be assessed as of the date that the Licensee receives written notice, by certified mail, of the provision or provisions which the Issuing Authority believes are in default.

- (1) For failure to obtain the advance, written approval of the Issuing Authority for any transfer of the Renewal License in accordance with Section 2.6 herein, two hundred seventy-five dollars (\$275.00) per day, for each day that any such non-compliance continues.
- (2) For failure to construct, upgrade, install, fully activate, operate, program and/or maintain the Cable Television System, in accordance with Section 3.1 herein, two hundred fifty dollars (\$250.00) per day, for each day that such non-compliance continues.
- (3) For failure to maintain and/or operate the Institutional Network, in accordance with Section 3.2 herein and Exhibit 1 attached hereto, one fifty hundred dollars (\$150.00) per day, for each day that such non-compliance continues.
- (4) For failure to comply with the public, educational and governmental access provisions in accordance with Article 6 herein, one hundred dollars (\$100.00) per day, for each day that any such noncompliance continues.
- (5) For failure to provide, install and/or fully activate the Subscriber Network Drops and/or Outlets in accordance with Sections 5.6 and 5.7 herein and/or Exhibits 4, 5 and/or 6, fifty dollars (\$50.00) per day that any of such Drops and/or Outlets are not provided, installed and/or activated as required.
- (6) For failure to comply with the FCC's <u>Customer Service Obligations</u> in accordance with Section 12.5 infra and Exhibit 7, one hundred dollars (\$100.00) per day that any such non-compliance continues.
- (b) The parties hereto agree that the following liquidated damages shall not require the Issuing Authority to follow the procedures of Section 11.1 infra; provided, however, that the Issuing Authority shall give the Licensee written notice, by certified mail, of any such non-compliance and a fourteen (14) day period, from receipt of such notice, to cure. Any such liquidated damages shall accrue as of the date that the Licensee receives notice from the Issuing Authority, unless the Licensee cures any default(s).
- (1) For failure to submit reports, pursuant to Article 13 herein, fifty dollars (\$50.00) per day that any of said reports are not submitted as required.
- (2) For failure to file schedules and notice of any changes thereto describing the rates and charges and terms and conditions of services offered by the Licensee, at least thirty (30) days prior to the effective date of any such schedule change or other change thereto, pursuant to Section 8.2 herein, fifty dollars (\$50.00) per day that such non-compliance continues.
- (c) Each of the above-mentioned cases of non-compliance shall result in damage to the Town, its residents, businesses and institutions, compensation for which will be difficult to ascertain. The Licensee agrees that the liquidated damages in the amounts set forth above are fair and reasonable compensation for such damage. The Licensee agrees that said foregoing amounts are liquidated damages, not a penalty or forfeiture, and are within one or more exclusions to the term "franchise fee" provided by Section 622(g)(2)(A)-(D) of the Cable Act.
- (d) Except as otherwise specifically provided in this Renewal License, such liquidated damages shall be in addition to, and not a limitation upon, any other provisions of this Renewal License and

| Winthrop | Renewal | License | | December 3 | 1996 |
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applicable law, including revocation, or any other statutory or judicially imposed penalties or remedies.

Section 11.3---REVOCATION OF THE RENEWAL LICENSE

To the extent permitted by applicable law, in the event that the Licensee fails to comply with any material provision of this Renewal License, the Issuing Authority may revoke this Renewal License granted herein, subject to the procedures in Section 11.1 above.

Section 11.4---TERMINATION

The termination of this Renewal License and the Licensee's rights herein shall become effective upon the earliest to occur of: (i) the revocation of the Renewal License by action of the Issuing Authority, pursuant to Section 11.1 and 11.3 above subject to appeal pursuant to applicable law; (ii) the abandonment of the Cable System, in whole or material part, by the Licensee without the express, prior approval of the Issuing Authority; or (iii) the expiration of the term of this Renewal License. In the event of any termination, the Town shall have all of the rights provided in this Renewal License.

Section 11.5---NOTICE TO TOWN OF LEGAL ACTION

Unless doing so would prejudice Licensee, in the event that the Licensee has reason to believe that the Town has acted, or has failed to act, in such a manner as to give rise to a claim, in law or equity, against the Town and the Licensee intends to take legal action, the Licensee shall (i) give the Town Counsel at least forty-five (45) days notice, unless, in good faith, time and events do not allow for such a period, that an action will be filed, (ii) meet with the Town Counsel before it files any such action, and (iii) negotiate the issue, which is the subject of any proposed legal action, in good faith with the Town Counsel and/or other Town official(s).

Section 11.6 --- NO WAIVER-CUMULATIVE REMEDIES

- (a) No failure on the part of the Town to exercise, and no delay in exercising, any right in this Renewal License shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any other right, all subject to the conditions and limitations contained in this Renewal License.
- (b) The rights and remedies provided herein are cumulative and not exclusive of any remedies provided by law, and nothing contained in this Renewal License shall impair any of the rights of the Town under applicable law, subject in each case to the terms and conditions in this Renewal License.
- (c) A waiver of any right or remedy by the Town at any one time shall not affect the exercise of such right or remedy or any other right or remedy by the Town at any other time. In order for any waiver of the Town to be effective, it shall be in writing. Subject to Section 10.2 supra, the failure of the Town to take any action in the event of any breach by the Licensee shall not be deemed or construed to constitute a waiver of or otherwise affect the right of the Town to take any action permitted by this Renewal License at any other time in the event that such breach has not been cured, or with respect to any other breach by the Licensee.

ARTICLE 12 SUBSCRIBER RIGHTS AND CONSUMER PROTECTION

Section 12.1 ---- CUSTOMER SERVICE OFFICE

- (a) For the entire term of this Renewal License, the Licensee shall maintain, operate and staff a full-time customer service office within the Town of Winthrop, for the purpose of receiving customer inquiries and complaints, made in person or by telephone, including without limitation, those regarding billing, Service, installation, equipment malfunctions and answering general inquiries. Said customer service office shall be open for walk-in business Monday, Tuesday, Thursday, Friday, and Saturday during normal business hours.
- (b) Said customer service office hours may be changed reasonably at the discretion of the Licensee; provided, however, that (i) the Licensee shall give the Issuing Authority at least thirty (30) days advance notice of any such change(s), (ii) the Licensee shall take into account any possible concerns raised by the Issuing Authority regarding such possible changes and (iii) in no event shall said office be open less than forty (40) hours per week, excluding holidays, for the entire term of this Renewal License, including evening hours.

Section 12.2---TELEPHONE ACCESS

- (a) The Licensee shall maintain sufficient customer service representatives in order to answer all Subscriber calls, in compliance with the FCC Customer Service Obligations at 47 CFR \$76.309, attached hereto as Exhibit 6.
- (b) Pursuant to M.G.L. 166A, Section 5(o), the Licensee's main customer service office(s) shall have a publicly listed local telephone number for Winthrop Subscribers.
- (c) The Issuing Authority shall have the right to direct the Licensee to submit a "busy study" from the telephone company which provides service to the Licensee, if the quarterly reports, subject to Section 13.4 infra, do not clearly document that the Licensee's telephone lines are accessible to Subscribers as required herein.

Section 12.3---ANSWERING SERVICE

At all other times than those listed directly above, throughout the entire term of this Renewal License, the Licensee shall maintain a telephone answering service to handle Subscriber inquiries, complaints and emergencies, and provide proper referral regarding billing and other subscriber information.

Section 12.3---INSTALLATION VISITS-SERVICE CALLS-RESPONSE TIME

- (a) The Licensee shall provide Cable Service(s) to Winthrop residents who request Service within seven (7) days of said request, provided that such request is for a standard aerial installation, pursuant to Section 4.1(a) supra.
- (b) The appointment window alternatives for installation, service calls and other installation activities shall be either a specific time or, at a minimum, a four (4) hour time block during normal business hours, as defined by 47 C.F.R. \$76.309. The License may schedule service calls and other

installation activities outside of normal business hours for express convenience of Subscribers.

- (c) The Licensee shall make installation and service calls to its Subscribers from 9:00 A.M. to 7:00 P.M., Monday through Friday and from 9:00 A.M. to 5:00 P.M. on Saturday, excluding Sunday and holidays.
- (d) The Licensee shall ensure that there are stand-by technicians on-call at all times after normal business hours.
- (e) System outages shall be responded to immediately, twenty-four (24) hours a day by technical personnel, subject to Force Majure. For purposes of this section, an outage shall be considered to occur when three (3) or more calls are received from any one neighborhood, concerning such an outage, or when the Licensee has reason to know of such an outage.
- (f) The Licensee shall remove all Subscriber Drop Cables, within seven (7) days of receiving a request from a Subscriber to do so.

Section 12.4 --- FCC CUSTOMER SERVICE OBLIGATIONS

The Licensee shall comply with the FCC's <u>Customer Service Obligations</u>, codified at 47 U.S.C. Section 76.309, as may be amended from time to time, which standards are attached hereto, and made a part hereof, as Exhibit 6.

Section 12.5---BUSINESS PRACTICE STANDARDS

The Licensee shall provide the Issuing Authority, the Commission and all of its Subscribers with required notifications and information in accordance with 207 CMR 10.00 et seq., attached hereto as Exhibit 7 and made a part hereof, as the same may exist or as may be amended from time to time:

Section 12.7---COMPLAINT RESOLUTION PROCEDURES

- (a) Consistent with applicable law, the Licensee shall establish a procedure for resolution of complaints by Subscribers.
- (b) Upon reasonable notice, the Licensee shall expeditiously investigate and resolve all complaints regarding the quality of Service, equipment malfunctions and similar matters. In the event that a Subscriber is aggrieved, the Issuing Authority or its designee(s) shall be responsible for receiving and acting upon such Subscriber complaints and/or inquiries, as follows:
- (i) Upon the written request of the Issuing Authority or its designee(s), the Licensee shall, within ten (10) business days after receiving such request, send a written report to the Issuing Authority with respect to any complaint. Such report shall provide a full explanation of the investigation, finding and corrective steps taken by the Licensee.
- (ii) Should a Subscriber have an unresolved complaint regarding cable television operations, the Subscriber shall be entitled to file his or her complaint with the Issuing Authority or its designee(s), who shall have primary responsibility for the continuing administration of this Renewal License and the implementation of complaint procedures. Thereafter, if the Subscriber wishes to participate in further processing of the complaint, the Subscriber shall meet jointly in Winthrop with the Issuing Authority or its designee(s) and a representative of the Licensee, within thirty (30) days of the Subscriber's filing of his

or her complaint, in order to fully discuss and resolve such matter. The Licensee shall notify each new Subscriber, at the time of initial installation of Cable Service, of the procedures for reporting and resolving all of such complaints, and annually to all Subscribers.

(c) Notwithstanding the foregoing, if the Issuing Authority or its designee(s) determines it to be in the public interest, the Issuing Authority or its designee(s) may investigate any complaints or disputes brought by Subscribers arising from the operations of the Licensee.

Section 12.8 --- EMPLOYEE IDENTIFICATION CARDS

All of the Licensee's employees entering upon private property, in connection with the construction, installation, maintenance and/or operation of the Cable System, including repair and sales personnel, shall be required to wear an employee identification card issued by the Licensee and bearing a picture of said employee. If such employee(s) is not wearing such a photo-identification card and, as a result, is not admitted to a Subscriber's home, such visit shall be deemed to be a missed service visit by the Licensee.

Section 12.9 --- PROTECTION OF SUBSCRIBER PRIVACY

- (a) The Licensee shall respect the rights of privacy of every subscriber and/or User of the Cable Television System and shall and shall not violate such rights through the use of any device or Signal associated with the Cable Television System, and as hereafter provided.
- (b) The Licensee shall comply with all privacy provisions contained in this Article 12 and all other applicable federal and State laws including, but not limited to, the provisions of Section 631 of the Cable Act.
- (c) The Licensee shall be responsible for carrying out and enforcing the Cable System's privacy policy, and shall at all times maintain adequate physical, technical and administrative security safeguards to ensure that personal subscriber information is handled and protected strictly in accordance with this policy.

Section 12.10---PRIVACY WRITTEN NOTICE

Pursuant to Section 631(a)(1) of the Cable Act, at the time of entering into an agreement to provide any Cable Service or other service to a Subscriber, and annually thereafter to all Cable System Subscribers, the Licensee shall provide Subscribers with written notice, which, at a minimum, clearly and conspicuously explains the Licensee's practices regarding the collection, retention, uses, and dissemination of personal subscriber information, and describing the Licensee's policy for the protection of subscriber privacy.

Section 12.11---MONITORING

(a) Neither the Licensee nor its agents nor the Town nor its agents shall tap, monitor, arrange for the tapping or monitoring, or permit any other Person to tap or monitor, any cable, line, Signal, input device, or subscriber Outlet or receiver for any purpose, without the prior written authorization of the affected Subscriber or User; provided, however, that the Licensee may conduct system wide or individually addressed "sweeps" solely for the purpose of verifying System integrity, checking for illegal

taps, connections or Converters, controlling return-path transmission, billing for pay Services or monitoring channel usage in a manner not inconsistent with the Cable Act.

(b) The Licensee shall not record or retain any information transmitted between a Subscriber or User and any third party, except as required for lawful business purposes. Pursuant to Section 631(c) of the Cable Act, the Licensee shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending requests or orders for access to such information pursuant to a request from a Subscriber or pursuant to a court order.

Section 12.12 --- DISTRIBUTION OF SUBSCRIBER INFORMATION

Pursuant to Section 631(c)(1) of the Cable Act, the Licensee shall not disclose personably identifiable information concerning any Subscriber without the prior written or electronic consent of the Subscriber concerned.

Section 12.13 --- INFORMATION WITH RESPECT TO VIEWING HABITS AND SUBSCRIPTION DECISIONS

Except as permitted by Section 631 of the Cable Act, neither the Licensee nor its agents nor its employees shall make available to any third party, including the Town, information concerning the viewing habits or subscription package decisions of any individual Subscriber.

Section 12.14 --- SUBSCRIBER'S RIGHT TO INSPECT AND VERIFY INFORMATION

- (a) Pursuant to Section 631(d) of the Cable Act, the Licensee shall make available for inspection by a Subscriber at a reasonable time and place all personal subscriber information that the Licensee maintains regarding said Subscriber.
- (b) A Subscriber may obtain from the Licensee a copy of any or all of the personal subscriber information regarding him or her maintained by the Licensee.
- (c) A Subscriber or User shall be provided reasonable opportunity to correct any error in any such personally identifiable information.

Section 12.5 --- PRIVACY STANDARDS REVIEW

The Issuing Authority and the Licensee shall continually review this Article 12 to determine that it effectively addresses appropriate concerns about privacy. This Article may be amended periodically by agreement of the Issuing Authority and the Licensee.

ARTICLE 13 REPORTS, AUDITS AND PERFORMANCE TESTS

Section 13.1---GENERAL

- (a) Upon written request of the Issuing Authority, the Licensee shall promptly submit to the Town any information regarding the Licensee, its business and operations, and/or any Affiliated Person, with respect to the Cable System, in such form and containing such detail as may be reasonably specified by the Town pertaining to the subject matter of this Renewal License which may be reasonably required to establish the Licensee's compliance with its obligations pursuant to this Renewal License.
- (b) If the Licensee believes that the documentation requested by the Issuing Authority involves proprietary information, then the Licensee shall submit the information to its counsel, who shall confer with the Town Counsel for a determination of the validity of the Licensee's claim of a proprietary interest.

Section 13.2---CONSTRUCTION REPORTS

The Licensee shall furnish the Issuing Authority, and/or its designated representatives, on a monthly basis, with progress reports indicating in detail the progress in, and areas of, construction and upgrade of the Cable Television System, in accordance with the terms and schedule for such upgrade set forth in Sections 3.1 and 3.2 herein. The first such report shall be submitted within thirty (30) days of the commencement of any such construction and/or upgrade and shall be updated every thirty (30) days thereafter, until the Licensee completes one hundred percent (100%) of such construction and/or upgrade.

Section 13.3---FINANCIAL REPORTS

- (a) In accordance with M.G.L. 166A, Section 8, no later than one hundred twenty (120) days after the end of the Licensee's fiscal year, the Licensee shall furnish the Issuing Authority with Commission Forms showing a balance sheet sworn to by the Greater Boston Division Chief Financial Officer, or other authorized officer or agent. Said forms shall contain such financial information specific to the Winthrop Cable Television System.
 - (b) The Licensee shall also provide a separate report including the following:
- (i) All Subscriber and all other revenues of any kind, including, but not limited to, regular Basic service charges, Pay Programming charges, Pay-Per-View revenues, installation revenues (including reconnection, second set, etc.), advertising revenues, leased access revenues, home shopping services revenues and any other revenues from cable service.
- (c) The Licensee shall submit to the Issuing Authority any other reports required by State and/or federal law.

Section 13.4---CABLE SYSTEM INFORMATION

Upon written request, but no more than annually, the Licensee shall file with the Issuing Authority a statistical summary of the operations of the Cable System. Said report shall include, but not be limited to,

(i) the number of Basic Service and Pay Cable Subscribers, (ii) the number of dwelling units passed and (iii) the number of plant miles in construction or completed.

Section 13.5---IN-HOUSE TELEPHONE REPORTS

To establish the Licensee's compliance with the requirements of this Renewal License, upon written request of the Issuing Authority, the Licensee shall provide the Issuing Authority with a report of telephone traffic generated from an in-house automated call accounting or call tracking system.

Section 13.6---SUBSCRIBER COMPLAINT REPORT

The Licensee shall submit a completed copy of Commission Form 500B (See Exhibit 8) to the Issuing Authority, or its designee, no later than two (2) weeks after each of the following dates: March 31st, June 30th, September 30th and December 31st. The Licensee shall record all written and verbal complaints of its Subscribers on said Form 500B.

Section 13.7---SERVICE INTERRUPTION REPORT

The Licensee shall submit a completed copy of Commission Form 500C (See Exhibit 9) to the Issuing Authority, or its designee, no later than two (2) weeks after each of the following dates: March 31st, June 30th, September 30th and December 31st.

Section 13.8---INDIVIDUAL COMPLAINT REPORTS

Subject to Section 12.7 supra, the Licensee shall, within ten (10) business days after receiving a written request from the Town, send a written report to the Issuing Authority with respect to any complaint. Such report shall provide a full explanation of the investigation, finding(s) and corrective steps taken, as allowed by applicable law.

Section 13.89 --- DUAL FILINGS

If requested in writing by the Issuing Authority, the Licensee shall make available to the Town, at the Licensee's expense, copies of any petitions or communications with any State or federal agency or commission pertaining to any material aspect of the Cable System operation hereunder and subject to Section 13.1 supra.

Section 13.910 --- ADDITIONAL INFORMATION

At any time during the term of this Renewal License, upon the reasonable written request of the Issuing Authority, the Licensee shall not unreasonably deny any requests for further information which may be required to establish the Licensee's compliance with its obligations pursuant to this Renewal License and subject to Section 13.1 supra.

Section 13.101 --- INVESTIGATION

The Licensee and any Affiliated Person(s) shall cooperate fully and faithfully with any lawful investigation, audit or inquiry conducted by a Town governmental agency.

ARTICLE 14 MISCELLANEOUS PROVISIONS

Section 14.1---ENTIRE AGREEMENT

This instrument contains the entire agreement between the parties, supersedes all prior agreements or proposals except as specifically incorporated herein, and cannot be changed orally but only by an instrument in writing executed by the parties.

Section 14.2---CAPTIONS

The captions to sections throughout this Renewal License are intended solely to facilitate reading and reference to the sections and provisions of the Renewal License. Such captions shall not affect the meaning or interpretation of the Renewal License.

Section 14.3---SEVERABILITY

If any section, sentence, paragraph, term or provision of this Renewal License is determined to be illegal, invalid or unconstitutional, by any court of competent jurisdiction or by any State or federal regulatory agency having jurisdiction thereof, such determination shall have no effect on the validity of any other section, sentence, paragraph, term or provision hereof, all of which shall remain in full force and effect for the term of this Renewal License.

Section 14.4--ACTS OR OMISSIONS OF AFFILIATES

During the term of this Renewal License, the Licensee shall be liable for the acts or omission of its Affiliates while such Affiliates are involved directly or indirectly in the construction, upgrade, installation, maintenance or operation of the Cable Television System as if the acts or omissions of such Affiliates were the acts or omissions of the Licensee.

Section 14.5---RENEWAL LICENSE EXHIBITS

Unless otherwise indicated, the Exhibits to this Renewal License, attached hereto, and all portions thereof, are for informational purposes.

Section 14.6---WARRANTIES

The Licensee warrants, represents and acknowledges, and agrees that at or before the Execution Date of this Renewal License:

- (i) The Licensee is duly organized, validly existing and in good standing under the laws of the State;
- (ii) The Licensee has the requisite power and authority under applicable law and its by-laws and articles of incorporation and/or other organizational documents, is authorized by resolutions of its Board of Directors or other governing body, and has secured all consents which are required to be obtained as of the Execution Date of this Renewal License, to enter into and legally bind the Licensee to this Renewal License and to take all actions necessary to perform all of its obligations pursuant to this Renewal License;

- (iii) This Renewal License is enforceable against the Licensee in accordance with the provisions herein, subject to applicable State and federal law; and
- (iv) There is no action or proceedings pending or threatened against the Licensee which would interfere with its performance of this Renewal License.
- (v) None of the officers, directors or managers of the Licensee have any relation or interest in any local broadcast station or telephone company that would be in violation of Section 613 of the Cable Act; and
- (vi) Pursuant to Section 625{f} of the Cable Act, the performance of all terms and conditions in this Renewal License is commercially practicable.

Section 14.7---FORCE MAJEURE

If by reason of force majeure either party is unable in whole or in part to carry out its obligations hereunder, said party shall not be deemed in violation or default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: acts of God; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, political subdivision, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightening; earthquakes; fires; hurricanes; volcanic activity; storms; floods; washouts; droughts; civil disturbances; explosions; strikes; and unavailability of essential equipment, services and/or materials and/or other matters beyond the control of the Licensee.

Section 14.8---REMOVAL OF ANTENNAS

The Licensee shall not remove any television antenna of any Subscriber but shall offer to said Subscriber an adequate switching device ("A/B Switch") to allow said Subscriber to choose between cable and non-cable television reception.

Section 14.9---SUBSCRIBER TELEVISION SETS

The Licensee shall not engage directly or indirectly in the business of selling or repairing television or radio sets, subject to applicable law; provided, however, that the Licensee may make adjustments to television sets in the course of normal maintenance.

Section 14.10---APPLICABILITY OF RENEWAL LICENSE

All of the provisions in this Renewal License shall apply to the Town, the Licensee, and their respective successors and assignees.

Section 14.11---NOTICES

- (a) Every notice to be served upon the Issuing Authority shall be delivered, or sent by certified mail (postage prepaid) to the Board of Selectmen, Town of Winthrop, Town Hall, Winthrop, Massachusetts 02152, or such other address as the Issuing Authority may specify in writing to the Licensee.
- (b) Every notice served upon the Licensee shall be delivered or sent by certified mail (postage prepaid)to the President, Time Warner Cable, Greater Boston Division, 300 Commercial Street, 12 Riverview

Business Park, Winthrop, Massachusetts 02148, or such other address as the Licensee may specify in writing to the Issuing Authority.

- (c) Whenever notice of any public meeting relating to the Cable Television System is required by law, regulation or this Renewal License, the Issuing Authority or its designee shall in addition to notice to the Licensee pursuant to subsection (b) above, publish notice of the same, sufficient to identify its time, place and purpose, in an Winthrop newspaper of general circulation once in each of two (2) successive weeks, the first publication being not less than fourteen (14) days before the day of any such hearing. The Issuing Authority or its designee shall also identify hearing(s) by periodic announcement on a community bulletin board channel between the hours of seven (7:00) PM and nine (9:00) PM for five (5) consecutive days during each such week. Such notice shall also state the purpose of the hearing, the location of the hearing and the availability of relevant written information.
- (d) Subject to subsection (c) above, all required notices shall be in writing. The delivery shall be equivalent to personal notice, direction or order, and shall be deemed to have been given upon receipt.

Section 14.12---COST OF PUBLICATION

The Licensee shall assume all costs of publication, printing and distribution of this Renewal License for the use of, and at the request of, the Issuing Authority, up to a limit of twenty-five (25) copies.

Section 14.13---NON-RECOURSE AGAINST THE ISSUING AUTHORITY

Pursuant to 47 U.S.C. §635A(a), the Licensee shall have no recourse whatsoever against the Issuing Authority, the Town and/or its officials, boards, commissions, committees, advisors, designees, agents and/or its employees other than injunctive relief or declaratory relief, arising out of any provision or requirements of this Renewal License or because of enforcement of this Renewal License.

Section 14.14---TOWN'S RIGHT OF INTERVENTION

The Town hereby reserves to itself, and the Licensee acknowledges the Town's right as authorized by applicable law or regulation, to intervene in any suit, action or proceeding involving this Renewal License, or any provision in this Renewal License.

Section 14.15---**TERM**

All obligations of the Licensee and the Issuing Authority set forth in the Renewal License shall commence upon the Effective Date of this Renewal License and shall continue for the term of the Renewal License, except as expressly provided for otherwise herein.

TABLE OF EXHIBITS

| Exhibit 1 | Institutional Network Buildings |
|---------------|---|
| Exhibit 2 | Initial Signal Carriage |
| Exhibit 3 | Drops, Outlets and Monthly Service to Public Buildings |
| Exhibit 4 | Drops, Outlets and Monthly Service to Public Schools |
| Exhibit 5 | Additional Public School Drops & Outlets |
| Exhibit 6 | FCC Customer Service Obligations |
| Exhibit 7 | 207 CMR 10.00 |
| Exhibit 8 | Massachusetts Cable Commission Form 500 B |
| Exhibit 9 | Massachusetts Cable Commission Form 500 C |
| Exhibit 10 | The Cable Act |
| Exhibit 11 | Massachusetts General Laws Chapter 166A |
| Signature Pag | ge |

Institutional Network Buildings

Initial Signal Carriage

Drops, Outlets and Monthly Service to Public Buildings

Drops, Outlets and Monthly Service to Public Schools

Additional Public School Drops and Outlets

FCC Customer Service Obligations

207 CMR 10.00 through 10.10

Massachusetts Cable Commission Form 500 B

Massachusetts Cable Commission Form 500 C

The Cable Act

Massachusetts General Laws Chapter 166A

SIGNATURE PAGE

In Witness Whereof, this Renewal License is hereby issued by the Board of Selectmen of the Town of Winthrop, Massachusetts, as Issuing Authority, and all terms and conditions are hereby agreed to by Time Warner Cable.

| The Town of Winthrop, MA | Time Warner Cable |
|--|-----------------------------------|
| | |
| Marie Turner | Carol A. Hevey Division President |
| Chairman | |
| Joseph V. Verrino, Jr. | |
| | |
| | |
| Gerald B. Ogus | |
| The Board of Selectmen, as Issuing Authority | |
| | |
| Witnessed By: | Witnessed By: |
| | |
| winlic03.doc | |

Date: